

let me talk about Texas. All Americans must unite against terrorism, and we did that. We passed the PATRIOT Act. We provided resources for the Department of Homeland Security. But now we discover the war on terrorism is a war on Democrats. This will divide America, and that is good for the terrorists.

How many Americans will lose their lives because we in this House cannot empower the Department of Homeland Security because that Department now seems bent on a coverup of its use of its great powers to pervert American democracy? Only a release of the tapes can reunite America behind the Department of Homeland Security. A failure to release those tapes breaks up American unity, impairs our security, and raises questions about what is there to cover up, questions like what did they know and when did they know it?

Let us unite America behind the war against terrorism. Let us release the tapes.

Now let us talk about taxes. The Bush recession continues. Republicans continue to use their political power to adopt job-killer policies, which means the Bush recession will continue to continue. The most obvious job-killer policy is the dividend exclusion provision included in the bill passed by the Senate.

Now, every major tax provision has both positive and negative effects on our economy, and Republican after Republican has come down to this floor to talk about the rather modest economic benefits of excluding dividends from taxation.

We Democrats have been distracted. We have been so incensed that this dividend exclusion provision gives almost all its benefits to the wealthiest that we forgot to point out it is also a job killer.

Yes, this is a provision that provides 50 percent of its benefits to the richest 1 percent of Americans and provides 1 percent of its benefits to the 50 percent of Americans at the bottom and in the middle. It represents class warfare against working families. It seems to be inspired to allow the wealthiest in our country to buy this new automobile from Mercedes Benz, the Maybach. It is only \$350,000, or roughly the benefit to those with an income of \$1 million over a 3½-year period from this provision.

So we got so distracted by how incensed we were that we forgot to mention it is a job-killer provision.

Let me illustrate that. Let us say there was a proposal to drop \$25 billion from helicopters. There would be a positive effect. Those who supported the programs from the other side of the aisle could come down here and say, hey, it is going to stimulate the economy, putting money in the hands of somebody. But it would be obvious that

25 or \$50 billion dropped from helicopters would also hurt our economy, because it would drive up interest rates, drive up the deficit and deprive this House of the opportunity to help our States keep teachers and law enforcement officers employed. They are being laid off in so many States.

□ 1715

So dropping money from a helicopter is ultimately a job-killer proposal.

The dividend exclusion has a smaller positive economic benefit and a larger economic harm than dropping money from helicopters, because at least the people who would catch money from helicopters would spend the money in America on the necessities of life, whereas the dividend exclusion tends to go to those who would spend money chiefly on luxury imports like the Maybach from Mercedes Benz, only \$350,000.

The dividend exclusion was justified under the idea that we are going to put money in corporate treasuries because people were going to buy stock, so the first effect of this dividend exclusion is that more dividends are paid. That takes money out of treasuries and deprives corporations of the opportunity to buy plants and equipment. But at least it provided some reason, perhaps, for people to buy stock, to put money into corporate treasuries and they go out and buy plants and equipment.

But now the Senate has changed it. Now the new provision provides a half exclusion for dividends paid in 2003, a full exclusion for dividends paid in 2004, 2005, and 2006, and back to full taxation in 2007.

What does that mean? First, it means 8 months of an economic freeze. For 8 months, the corporations will not pay any dividends, they are going to be half taxable, when they can wait until January of next year. They cannot invest this cash because they are going to need it to pay the big dividend in January. They cannot distribute it because it is subject to half taxation. It is locked up, hurting our economy tremendously by freezing the very cash that we need to put into the economy.

Then what happens after that? In 2004, 2005, 2006, huge dividends and no investment in the economy. But why would anybody buy stock because of a provision that is going to exempt dividends for a few years? Would Members buy a municipal bond that was tax-free for a few years and then was going to be subject to full tax?

This means no new investment except in Germany, where they will need a new line to build more copies of the Maybach. That will be the only investment caused by this provision. The Bush recession continues, and job-killer policies like the dividend provision in the Senate bill ensure that the Bush recession will continue to continue.

STATUS REPORT ON CURRENT SPENDING LEVELS OF ON-BUDGET SPENDING AND REVENUES FOR FY 2004 AND THE 5-YEAR PERIOD FY 2004 THROUGH FY 2008

Mr. NUSSLE. Mr. Speaker, I am transmitting a status report on the current levels of on-budget spending and revenues for fiscal year 2004 and for the five-year period of fiscal years 2004 through 2008. This report is necessary to facilitate the application of sections 302 and 311 of the Congressional Budget Act and section 501 of the conference report on the concurrent resolution on the budget fiscal year 2004 (H. Con. Res. 95). This status report is current through May 19, 2003.

The term "current level" refers to the amounts of spending and revenues estimated for each fiscal year based on laws enacted or awaiting the President's signature.

The first table compares the current levels of total budget authority, outlays, and revenues with the aggregate levels set forth by H. Con. Res. 95. This comparison is needed to enforce section 311(a) of the Budget Act, which creates a point of order against measures that would breach the budget resolution's aggregate levels. The table does not show budget authority and outlays for fiscal years 2004 through 2008, because appropriations for those years have not yet been considered.

The second table compares the current levels of budget authority and outlays for discretionary action by each authorizing committee with the "section 302(a)" allocations made under H. Con. Res. 95 for fiscal year 2004 and fiscal years 2004 through 2008. "Discretionary action" refers to legislation enacted after the adoption of the budget resolution. A separate allocation for the Medicare program, as established under section 401(a)(3) of the budget resolution, is shown for fiscal year 2004 and fiscal years 2004 through 2013. This comparison is needed to enforce section 302(f) of the Budget Act, which creates a point of order against measures that would breach the section 302(a) discretionary action allocation of new budget authority for the committee that reported the measure. It is also needed to implement section 311(b), which exempts committees that comply with their allocations from the point of order under section 311(a).

The third table compares the current levels of discretionary appropriations for fiscal year 2004 with the "section" 302(b)" suballocations of discretionary budget authority and outlays among Appropriations subcommittees. The comparison is needed to enforce section 302(f) of the Budget Act because the point of order under that section equally applies to measures that would breach the applicable section 302(b) suballocation.

The last table gives the current level for 2005 of accounts identified for advance appropriations under section 501 of H. Con. Res. 95. This list is needed to enforce section 501 of the budget resolution, which creates a point of order against appropriation bills that contain advance appropriations that are: (i) not identified in the statement of managers or (ii) would cause the aggregate amount of such appropriations to exceed the level specified in the resolution.

Report to the Speaker from the Committee on the Budget

**Status of the Fiscal Year 2004 Congressional Budget
Adopted in H. Con. Res. 95**

Reflecting Action Completed as of May 19, 2003
(On-budget amounts, in millions of dollars)

	<u>Fiscal Year 2004</u>	<u>Fiscal Years 2004-2008</u>
Appropriate Level:		
Budget Authority	1,861,333	n.a.
Outlays	1,884,280	n.a.
Revenues	1,325,452	8,168,933
Current Level:		
Budget Authority	1,081,980	n.a.
Outlays	1,406,685	n.a.
Revenues	1,466,370	8,640,211
Current Level over (+) / under (-)		
Appropriate Level:		
Budget Authority	-779,353	n.a.
Outlays	-477,595	n.a.
Revenues	140,918	471,278

n.a. = Not applicable because annual appropriations Acts for fiscal years 2005 through 2008 will not be considered until future sessions of Congress.

BUDGET AUTHORITY

Enactment of measures providing new budget authority for FY 2004 in excess of \$779,353,000,000 (if not already included in the current level estimate) would cause FY 2004 budget authority to exceed the appropriate level set by H. Con. Res. 95.

OUTLAYS

Enactment of measures providing new outlays for FY 2004 in excess of \$477,595,000,000 (if not already included in the current level estimate) would cause FY 2004 outlays to exceed the appropriate level set by H. Con. Res. 95.

REVENUES

Enactment of measures that would result in revenue reduction for FY 2004 in excess of \$140,918,000,000 (if not already included in the current level estimate) would cause revenues to fall below the appropriate level set by H. Con. Res. 95.

Enactment of measures resulting in revenue reduction for the period FY 2004 through 2008 in excess of \$471,278,000,000 (if not already included in the current level estimate) would cause revenues to fall below the appropriate levels set by H. Con. Res. 95.

DIRECT SPENDING LEGISLATION
Comparison of Current Level
with Authorizing Committee 302(a) Allocations for Discretionary Action
 Reflecting Action Completed as of May 19, 2003
 (Fiscal Years, in millions of dollars)

House Committee	2004		2004-2008 Total		2004-2013 Total	
	BA	Outlays	BA	Outlays	BA	Outlays
Agriculture						
Allocation	0	0	0	0	n.a.	n.a.
Current Level	0	0	0	0	n.a.	n.a.
Difference	0	0	0	0	n.a.	n.a.
Armed Services						
Allocation	70	34	70	70	n.a.	n.a.
Current Level	0	0	0	0	n.a.	n.a.
Difference	-70	-34	-70	-70	n.a.	n.a.
Education and the Workforce						
Allocation	39	47	201	245	n.a.	n.a.
Current Level	0	0	0	0	n.a.	n.a.
Difference	-39	-47	-201	-245	n.a.	n.a.
Energy and Commerce						
Allocation	-170	-170	439	439	n.a.	n.a.
Current Level	0	0	0	0	n.a.	n.a.
Difference	170	170	-439	-439	n.a.	n.a.
Financial Services						
Allocation	0	375	0	1,250	n.a.	n.a.
Current Level	-1	-1	-2	-2	n.a.	n.a.
Difference	-1	-376	-2	-1,252	n.a.	n.a.
Government Reform						
Allocation	-1	0	-3	-1	n.a.	n.a.
Current Level	0	0	0	0	n.a.	n.a.
Difference	1	0	3	1	n.a.	n.a.
House Administration						
Allocation	0	0	0	0	n.a.	n.a.
Current Level	0	0	0	0	n.a.	n.a.
Difference	0	0	0	0	n.a.	n.a.
International Relations						
Allocation	0	0	0	0	n.a.	n.a.
Current Level	0	0	0	0	n.a.	n.a.
Difference	0	0	0	0	n.a.	n.a.
Judiciary						
Allocation	19	19	95	95	n.a.	n.a.
Current Level	0	0	0	0	n.a.	n.a.
Difference	-19	-19	-95	-95	n.a.	n.a.

DIRECT SPENDING LEGISLATION
Comparison of Current Level
with Authorizing Committee 302(a) Allocations for Discretionary Action
 Reflecting Action Completed as of May 19, 2003
 (Fiscal Years, in millions of dollars)

House Committee	2004		2004-2008 Total		2004-2013 Total	
	BA	Outlays	BA	Outlays	BA	Outlays
Resources						
Allocation	24	24	522	342	n.a.	n.a.
Current Level	0	0	0	0	n.a.	n.a.
Difference	-24	-24	-522	-342	n.a.	n.a.
Science						
Allocation	0	0	0	0	n.a.	n.a.
Current Level	0	0	0	0	n.a.	n.a.
Difference	0	0	0	0	n.a.	n.a.
Small Business						
Allocation	0	0	0	0	n.a.	n.a.
Current Level	0	0	0	0	n.a.	n.a.
Difference	0	0	0	0	n.a.	n.a.
Transportation and Infrastructure						
Allocation	9,256	0	41,134	0	n.a.	n.a.
Current Level	0	0	0	0	n.a.	n.a.
Difference	-9,256	0	-41,134	0	n.a.	n.a.
Veterans' Affairs						
Allocation	0	0	0	0	n.a.	n.a.
Current Level	0	0	0	0	n.a.	n.a.
Difference	0	0	0	0	n.a.	n.a.
Ways and Means						
Allocation	1,334	762	15,605	15,402	n.a.	n.a.
Current Level	0	0	0	0	n.a.	n.a.
Difference	-1,334	-762	-15,605	-15,402	n.a.	n.a.
Medicare						
Allocation	0	0	n.a.	n.a.	0	0
Current Level	0	0	n.a.	n.a.	0	0
Difference	0	0	n.a.	n.a.	0	0

DISCRETIONARY APPROPRIATIONS FOR FISCAL YEAR 2004

**Comparison of Current Level
with Appropriations Subcommittee 302(b) Suballocations**

(In millions of dollars)

Appropriations Subcommittee	302(b) Suballocations have not been issued as of May 19, 2003		Current Level Reflecting Action Completed as of May 19, 2003		Current Level minus Suballocations	
	BA	OT	BA	OT	BA	OT
Agriculture, Rural Development	n.a.	n.a.	14	5,036	n.a.	n.a.
Commerce, Justice, State	n.a.	n.a.	0	14,197	n.a.	n.a.
National Defense	n.a.	n.a.	17	137,684	n.a.	n.a.
District of Columbia	n.a.	n.a.	0	51	n.a.	n.a.
Energy & Water Development	n.a.	n.a.	0	9,198	n.a.	n.a.
Foreign Operations	n.a.	n.a.	0	13,804	n.a.	n.a.
Homeland Security	n.a.	n.a.	215	12,678	n.a.	n.a.
Interior	n.a.	n.a.	36	6,244	n.a.	n.a.
Labor, HHS & Education	n.a.	n.a.	21,378	91,973	n.a.	n.a.
Legislative Branch	n.a.	n.a.	0	671	n.a.	n.a.
Military Construction	n.a.	n.a.	0	7,680	n.a.	n.a.
Transportation-Treasury	n.a.	n.a.	31	41,247	n.a.	n.a.
VA-HUD-Independent Agencies	<u>n.a.</u>	<u>n.a.</u>	<u>2,698</u>	<u>51,610</u>	<u>n.a.</u>	<u>n.a.</u>
GRAND TOTAL	784,460	860,752	24,389	392,073	-760,071	-468,679

Statement of FY2005 Advance Appropriations
Under Section 501 of H. Con. Res. 95
Reflecting Action Completed as of May 19, 2003
(In millions of dollars)

	<u>Budget Authority</u>
Appropriate Level	23,158
Current Level:	
Interior Subcommittee	
Elk Hills	0
Labor, Health and Human Services, Education Subcommittee	
Employment and Training Administration	0
Education for the Disadvantaged	0
School Improvement	0
Children and Family Services (head start)	0
Special Education	0
Vocational and Adult Education	0
Treasury, General Government Subcommittee	
Payment to Postal Service	0
Veterans, Housing and Urban Development Subcommittee	
Section 8 Renewals	0
Total	0
Current Level over (+) / under (-) Appropriate Level	-23,158

CONGRESSIONAL BUDGET OFFICE,
U.S. CONGRESS,
Washington, DC, May 20, 2003.
Hon. JIM NUSSLE,
Chairman, Committee on the Budget,
House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The enclosed report shows the effects of Congressional action on the fiscal year 2004 budget and is current through May 19, 2003. This report is submitted under section 308(b) and in aid of section 311 of the Congressional Budget Act, as amended.

The estimates of budget authority, outlays, and revenues are consistent with the

technical and economic assumptions of H. Con. Res. 95, the Concurrent Resolution on the Budget for Fiscal Year 2004. The budget resolution figures incorporate revisions submitted by the Committee on the Budget to the House to reflect funding for the fiscal year 2003 supplemental appropriations act. These revisions are authorized by section 421 of H. Con. Res. 95. This is my first letter for fiscal year 2004.

Since the beginning of the first session of the 108th Congress, the Congress has cleared and the President has signed the following acts that changed budget authority, outlays, or revenues for 2004: the Consolidated Appro-

priations Resolution of 2003 (Public Law 108-7), the Emergency Wartime Supplemental Appropriations Act of 2003 (Public Law 108-11) and the American 5-Cent Coin Design Continuity Act of 2003 (Public Law 108-15). The effects of the Consolidated Appropriations Resolution of 2003 are included in the previously enacted section of the enclosed table. The effects of all other new laws are identified separately.

Sincerely,
DOUGLAS HOLTZ-EAKIN,
Director.

Enclosure.

FISCAL YEAR 2004 HOUSE CURRENT LEVEL REPORT AS OF MAY 19, 2003
(In millions of dollars)

	Budget authority	Outlays	Revenues
Enacted in previous sessions:			
Revenues	0	0	1,466,370
Permanents and other spending legislation	1,088,831	1,061,159	0
Appropriation legislation	0	35,754	0
Offsetting receipts	-366,335	-366,336	0
Total, previously enacted	722,496	1,040,577	1,466,370
Enacted this session:			
Emergency Wartime Supplemental Appropriations Act of 2003 (P.L. 108-11)	215	27,349	0
American 5-Cent Coin Design Continuity Act of 2003 (P.L. 108-15)	-1	-1	0
Total, enacted this session	214	27,348	0
Entitlements and mandates:			
Budget resolution baseline estimates of appropriated entitlements and other mandatory programs not yet enacted	359,270	338,760	0
Total current level ¹	1,081,980	1,406,685	1,466,370
Total budget resolution	1,861,333	1,884,280	1,325,452
Current level over budget resolution	0	0	140,918
Current level under budget resolution	-779,353	-477,595	0
Memorandum			
Revenues, 2004-2008:			
House current level	0	0	8,640,211
House budget resolution	0	0	8,168,933
Current level over budget resolution	0	0	471,278

¹ For purposes of enforcing section 311 of the Congressional Budget Act in the House, the budget resolution does not include prior-year outlays of \$508 million for Social Security administrative expenses. As a result, current level excludes these items.
NOTE.—P.L. = Public Law.
Source: Congressional Budget Office.

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from the District of Columbia (Ms. NORTON) is recognized for 5 minutes.
(Ms. NORTON addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

EXCHANGE OF SPECIAL ORDER
TIME

Mr. LAMPSON. Mr. Speaker, I ask unanimous consent to claim the time of the gentlewoman from the District of Columbia (Ms. NORTON).
The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?
There was no objection.

ENCOURAGING SECRETARY TOM
RIDGE TO RELEASE TAPES OF
CALLS FROM DEPARTMENT OF
PUBLIC SAFETY IN TEXAS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. LAMPSON) is recognized for 5 minutes.
Mr. LAMPSON. Mr. Speaker, tonight I strongly encourage Secretary Tom Ridge to release the tapes of the call from the Department of Public Safety in Texas asking for the Department of Homeland Security to track down Texas House Democrats who fled to Oklahoma last week.

I came up here for literally years talking specifically about the issue of missing children. I find it a little astounding that I am standing here talking about something that is really having such a dire effect on the people of the State of Texas because of the incident that occurred recently, where people literally attempted to cram legislation down the throats of Texas citizens without giving them a voice in that process, a very onerous thing to have happen.
I want to turn my tasks to what I can make a serious difference with on families, something about children. But here I am, asking the Secretary of Homeland Defense to step into a situation where his own agency could have delivered information, and still might, deliver information that could make a difference in helping us understand what it was that drove those 51 legislators out of the State of Texas and over into Ardmore, Oklahoma, to send a message, to send a message that we are not going to take being excluded from participating in the process of making legislation anymore. Whether it is at the Federal level or whether it is in the State of Texas, it is wrong.
The people of this country created a system that we all participate in through our representatives. When representatives are excluded, then the people are excluded. Their voices are not heard.
Back to our request of Secretary Ridge, the use of the Homeland Secu-

rity Department for political reasons is shameful, and it needs to be investigated. We need to know answers of why, what happened.
I remember when I was teaching at Lamar University in Beaumont, Texas, during the years of the early 1970s, the Watergate era. Like all Americans, I was absolutely shocked and dismayed at the wanton abuse of power of the Nixon administration. Secretary Ridge's decision to not release these tapes yesterday brings back memories for me of that dark era in American history. That is not what we are about in the United States of America. We should not have a secret government that keeps stuff from the people.
The Nixon administration used the FBI for political reasons, and then they refused repeated requests from journalists to review their actions. Two weeks ago, the majority leader, the gentleman from Texas (Mr. DELAY), told numerous reporters that he wanted the FBI to use its resources to track down the Democrats who went to Oklahoma.
The thought of using the FBI for such reasons, in my opinion, is unconscionable. Now we have learned that the Texas Department of Public Safety used the Homeland Security Department to track down a plane belonging to former Texas House Speaker Pete Laney. The Department of Homeland Security should be used for protecting Americans from terrorists, not for political objectives, regardless of from whom the political objectives come.